GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:174
ANSWERED ON:03.08.2000
AUGMENTATION OF BUSINESS BY IOCL AND BPCL
PRIYA RANJAN DASMUNSI

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a): whether Indian Oil Corporation Limited (IOCL) and Bharat Petroleum Corporation Limited (BPCL) have any plan to enter into international market in order to augment their business;

(b): if so, the details thereof;

(c): whether the crisis in L.P.G. supply has been reduced to a great extent due to involvement of the private L.P.G. supply units;

(d): whether as a result of competition, interests of PSUs are being adversely affected; and

(e): if so, the reaction of the Government thereon?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI RAM NAIK)

(a),(b),(c), (d) and (e): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of the Lok Sabha Starred Question No.174 to be answered on 3rd August, 2000 regarding augmentation of business of IOCL and BPCL.

(a): Yes, Sir.

(b): Keeping in view the objective of becoming a major diversified, transnational, integrated energy company, the Indian Oil Corporation Limited (IOC) is identifying, evaluating and developing opportunities in the international market.The IOC has taken up the following activities in order to enter the international market and augment its business :-

- Offering and providing training and consultancy to clients abroad.
- Setting up of various facilities for entering the petroleum sector in Mauritius.
- Entered into Franchise arrangement for blending and marketing Servo lubes .
- Appointed lube distributors in Nepal and Bangladesh.
- Exploring Exploration & Production and Liquified Natural Gas opportunities abroad.
- Exploring joint venture opportunities in the downstream sector including petro-chemicals abroad.

The Bharat Petroleum Corporation Limited (BPCL) is exploring the modalities of marketing branded lubricants in the SAARC countries starting with Bangladesh. It is already marketing its lubricants in Nepal and Bhutan.However, the BPC has no immediate plans to enter the international market in respect of other products.

(c) to (e): At present, the demand of packed LPG (domestic) of the registered consumers is being met, by and large, in full by the Public Sector Oil marketing Companies.LPG for domestic use is a controlledproduct and the interest of Public Sector Oil Companies is not affected in this area by parallel marketeers. However, there is competition from parallel marketeers in bulk and packed (commercial) supply of LPG and Oil marketing Companies are competent enough with their vast resources and network to withstand the competition provided by the private sector.